

NZ Farm Forestry Annual
Conference
Hanmer Springs
April 2004

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Climate Change
Forest Industry Framework
Agreement (FIFA)

FIFA Buckets

- Deforestation Liability
- Energy Infrastructure
- Skills Development
- Forest Health Biosecurity/Biodiversity
- Alternative Species Research

FIFA Buckets

- Infrastructure Development
- Bioenergy Projects
- Market Access and Development
- CP2 Negotiations
- Forestry Taxation

- The Government has acknowledged the role of planted forests in generating sink credits for New Zealand.
- The Government decided to use those sink credits to shield parts of the New Zealand economy from the costs of the Kyoto Protocol.

- In recognition, the Government agreed to return part of the carbon credits to the forest industry to meet the Government's and the industry's climate and development objectives.

- The Forest Industry Framework Agreement (FIFA) sets out the agreement between the Government and the industry on specific measures.
- These measures are currently being considered as part of the Government's 2004 Budget.

- Before sums allocated in the Budget are released, the industry and Government will sign a Memorandum of Understanding (MoU).
- The industry will consult with its members prior to signing an MoU

- A bottom line requirement of the industry is that the Government accepts all liabilities for the harvesting and deforestation of post 1990 forests and a significant increase in the deforestation cap for pre-1990 forests.